

Fullerton Short Term Interest Rate - Class R1 (SGD)

November 2025

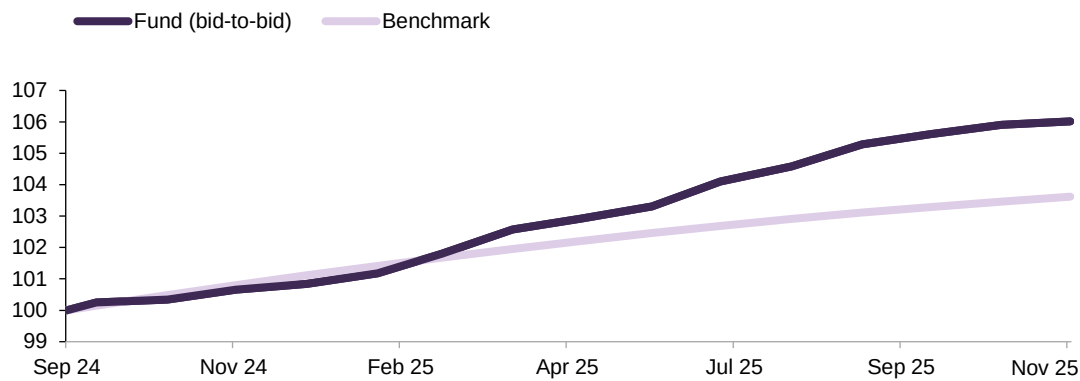
Investment Objective

The investment objective of the Fund is to achieve medium-term capital appreciation for investors. The investments of the Fund will be broadly diversified with no specific industry or sectoral emphasis.

Investment Focus and Approach

The Fund is primarily focused on fixed income securities and money market instruments. The Fund may invest in futures and derivatives for hedging purposes. The maturity limit of underlying securities is 5 years and all foreign currency denominated bonds are fully hedged back to SGD except for a 5% frictional currency limit.

Performance (%)



	1 mth	3 mths	6 mths	1 yr	Sl. Ann. Ret.	Sl. Ann. Vol.
Fund (bid-to-bid)	0.08	0.63	2.48	5.04	4.70	0.77
Benchmark	0.15	0.49	1.13	2.80	3.00	0.22

Returns of more than 1 year are annualised. Returns are calculated on a single pricing basis in SGD with net dividends and distributions (if any) reinvested.

Benchmark: 3M SORA + 0.60% p.a.

With effect from 1 August 2023, the benchmark is 3M SORA + 0.60% p.a. From inception till 31 July 2023, the benchmark was 3M SIBID.

Source: Fullerton Fund Management Company Ltd and Bloomberg.

Inception date

17 Sep 2024

Fund size

SGD 1,078.52 million

Base Currency

SGD

Pricing Date

30 Nov 2025

NAV*

SGD 1.06

Management fee

Currently 0.25% p.a.

Minimum Initial Investment

SGD 25 million

Minimum Subsequent Investment

None

Preliminary Charge

Not applicable for Class R1

Dealing day

Daily, up to 5pm (Singapore time)

Bloomberg Code

FULSTR1 SP

ISIN Code

SGXZ25895699

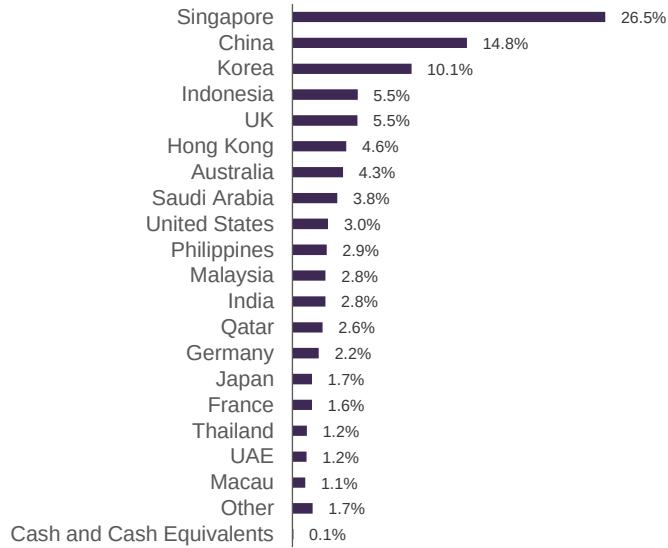
The Fund is available for SRS subscription.

* Figures have been truncated to 2 decimal places. The official price is published on Fullerton's website.

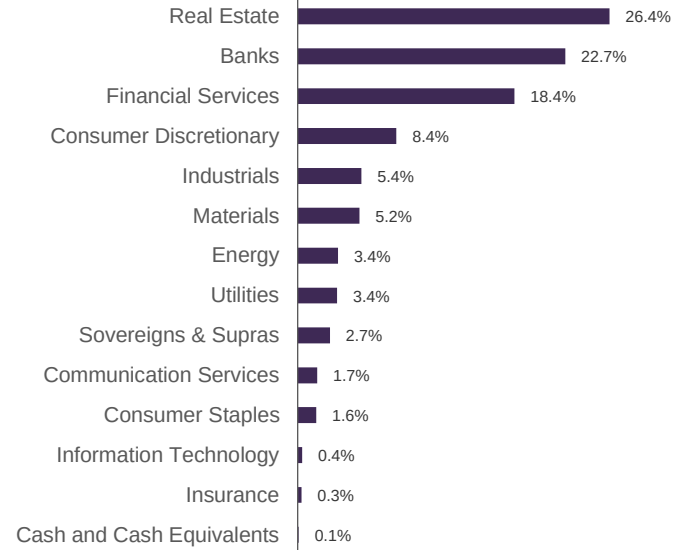


■ Portfolio

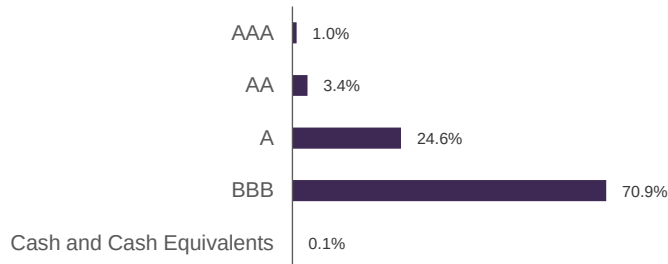
Geographical Breakdown



Sector Breakdown



Rating Breakdown



Fund Characteristics

Average coupon	3.9%
Average credit rating	BBB
Number of holdings	161
Average duration (years)	2.2
Yield to Worst (before hedging)	3.4%
Yield to Worst (after hedging)	2.1%

Top 5 Holdings

Deutsche Bank AG 4.400 Apr 2028	2.2%
HSBC Holdings PLC 4.500 Jun 2029	2.1%
Meituan 4.625 Oct 2029	1.9%
Santos Finance Ltd 5.250 Mar 2029	1.8%
UOL Treasury Services Pte Ltd 2.330 Aug 2028	1.8%

Credit Rating : Where the security is not rated by external rating agencies, Fullerton's internal rating methodology will apply.

Yield to Worst (YTW): Refers to YTW in base currency taking into account the hedging cost. Not guaranteed. Past performance is not necessarily indicative of future performance.

Market Review

In Singapore, November's data releases pointed to resilient economic momentum alongside a mild pickup in inflation. Q3 GDP expanded by 4.2% year-on-year and 2.4% quarter-on-quarter (sa), prompting MTI to revise its 2025 growth forecast to "around 4.0%," while projecting 1.0–3.0% growth for 2026. External demand strengthened further, with NODX accelerating sharply to 22.2% year-on-year in October from 7.0% in September, led by electronics and non-monetary gold. Inflation readings also firmed, with MAS Core Inflation rising to 1.2% year-on-year in October and headline CPI-All Items matching that pace, signalling early signs of price pressures normalising from previously subdued levels.

In the U.S., market sentiment was shaped largely by evolving expectations for near-term Fed action. The 10-year Treasury yield traded within a narrow 4.0–4.2% band before ending the month at 4.0%, around 6 bps lower than October's close. Early hawkish rhetoric from several Fed officials kept investors cautious, but expectations shifted after New York Fed President Williams and Governor Waller signalled openness to a December rate cut, helping to stabilise yields and ease volatility.

Against this backdrop of firmer domestic fundamentals and easing U.S. yields, Singapore government bonds underperformed U.S. Treasuries after a strong run through most of 2025. The 2-year SGS yield edged 2 bps lower over the month while the 10-year SGS yield rose 12 bps, resulting in a modest steepening of the curve. In comparison, both 2-year and 10-year U.S. Treasury yields declined by 8 bps and 6 bps respectively. Non-government markets were more resilient, and outperformed SGS, according to the Markit iBoxx ALBI Singapore indices.

Asian USD credit delivered modest gains over the month, supported primarily by duration-related returns as the rally in U.S. Treasuries helped offset the impact of wider credit spreads. According to the J.P. Morgan Asian Credit indices, investment-grade bonds held up relatively well, recording small positive returns as their spread widening was more contained. In contrast, the high-yield segment declined in value, reflecting more pronounced spread widening, leading to underperformance versus investment-grade peers.

Investment Strategy

The global backdrop entering the year-end remains characterised by a gradual cooling in U.S. labour-market conditions alongside steady, if uneven, economic activity. Inflation has moderated but remains sticky enough to keep the Federal Reserve (Fed) cautious. This leaves the door open to additional "insurance cuts" in 2026 if labour-market softness persists, while preserving flexibility should inflation re-accelerate.

Across Asia, growth is mixed but stabilising, aided by a more constructive U.S.–China tariff environment and improving regional trade flows. Inflation across the region remains largely within target ranges, contributing to a benign rates environment even as Asian central banks turn less urgent about further easing, given firmer exports, improving tariff dynamics, and ongoing fiscal support. Over in Singapore, authorities have revised its 2025 GDP outlook up to "around 4%," reflecting firmer activity and more balanced inflation risks. With growth resilient and inflation becoming more two-sided, the MAS is likely to keep the S\$ Nominal Effective Exchange Rate Index (S\$NEER) slope unchanged at least through the first half of 2026, with the next policy review in January.

From a portfolio perspective, we expect to maintain current duration positioning which is near the upper end of our duration limit, with most of the contribution coming from U.S. duration embedded in USD-denominated credits. This positioning is designed to benefit from potential front-loaded Fed "insurance cuts" while preserving flexibility should U.S. inflation surprise on the upside. In SGD credit, we have been selectively adding exposure amid ongoing primary supply, but we are not stretching risk given strong year-to-date performance and the potential for year-end profit-taking and de-risking. That said, market liquidity remains ample, which should continue to support new issuance and secondary trading. Meanwhile, USD/SGD hedging costs have eased recently and should ease further if the Fed cuts, enhancing the relative attractiveness of USD credits for Singapore-based investors.

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